



Employment: Commission proposes €8.7 million from Globalisation Fund to help media workers in Greece

Brussels, 03 February 2015

The European Commission has proposed to mobilise the European Globalisation Adjustment Fund (EGF) to help 1,633 workers made redundant in the media sectors (publishing, programming and broadcasting) in Attica (Greece). The funds requested by the Greek authorities, amounting to €8.7 million, will help the workers in their transition to new jobs. The proposals now go to the European Parliament and the EU's Council of Ministers for approval.

Marianne Thyssen, EU Commissioner for Employment, Social Affairs, Skills and Labour Mobility commented: *"Today's decision will help to prepare over 1,600 people for new jobs. Greek workers are going through a difficult period and we must use all the tools we have at our disposal to provide assistance. I am happy we have been able to respond positively to Greece's request for EGF support to the redundant workers"*.

Greece applied for support from the EGF following the dismissal of 1,633 workers in the media sector (928 workers in 16 programming and broadcasting enterprises and a further 705 workers in 46 publishing enterprises). These job losses were the result of the global financial and economic crisis which has deeply affected the Greek economy.

The measures co-financed by the EGF would help the workers find new jobs by providing them with active career guidance, training and vocational training, specific advice towards entrepreneurship, contributions to business start-up and a variety of allowances. All the redundant workers are expected to participate in the measures.

The total estimated cost of the package is €14.6 million, of which the EGF would provide €8.7.

Background

During the years 2009-2012, companies operating in the mass media sectors have terminated their activities or have reduced their staffing. In this context, mass media companies show shrinkage in their revenues, as advertising expenditure, comprising one of their basic sources of revenue, dropped drastically: in 2012 advertising expenditure in mass media reached EUR 1.14 billion, while in 2008 it was still EUR 2.67 billion, a decrease of 57%.

As a result, companies of all types and categories in the mass media sector started to face serious problems in paying their liabilities. In this context, publishing, programming and broadcasting enterprises met serious problems in terms of viability, as their financing elements and performance went from bad to worse during the crisis period.

Turnover in the media businesses has been in a constant downward trend in the past few years: the turnover index of the media enterprises in publishing decreased by more than 40% during the past three years (2010-2013), resulting in redundancies.

All the 1,633 redundancies concerned by the EGF applications are concentrated in Attica, a region with an unemployment rate of 28% (Q1 2014) and where there are few job vacancies compared to the high number of job seekers. As a consequence, more than 70% of the unemployed have been out of the labour market for more than 12 months.

The crisis suffered by enterprises in Attica affects the entire Greek economy since the region contributes with 43% to the Greek GDP. Moreover, it has been identified that most of the enterprises in the broader area of Athens face common viability problems. It is therefore obvious that the layoffs in publishing enterprises have overburdened a region which has already been hard hit by the negative consequences of the crisis.

More open trade with the rest of the world leads to overall benefits for growth and employment, but it can also cost jobs, particularly in vulnerable sectors and among lower-skilled workers. This is why the Commission first proposed setting up a fund to help those adjusting to the consequences of globalisation. Since starting operations in 2007, the EGF has received 132 applications. Some €542 million has been requested to help more than 118,000 workers. In 2013 alone, it provided more than €53.5 million in support.

The [Fund continues during the 2014-2020 period](#) as an expression of EU solidarity, with further improvements to its functioning. Its scope includes workers made redundant because of the economic crisis, as well as fixed-term workers, the self-employed, and, by way of derogation until the end of 2017, young people not in employment, education or training (NEETs) residing in regions eligible under the [Youth Employment Initiative](#) (YEI) up to a number equal to the redundant workers supported.

Further information

[EGF website](#)

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IP/15/4082

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